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Attorneys for Debtors

UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF MONTANA

In re:

RENASCENT, INC.,

Debtor.

Case No: 10-62358-11

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**MOTION FOR AUTHORITY TO SELL PROPERTY  
FREE AND CLEAR OF LIENS AND ENCUMBRANCES  
(11 U.S.C. §363(f))**

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COMES NOW, RENASCENT, INC., by and through its counsel of record, Jon R. Binney, of BINNEY LAW FIRM, and respectfully moves this Court for an order approving the sale of real property. Sale price is One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00). Closing is set for June 30, 2011. The following terms apply:

1. Debtor filed for relief under Chapter 11 bankruptcy September 29, 2010.
2. Movant is the Debtor in Possession in this Chapter 11 proceeding.
3. Part of the property of this Bankruptcy Estate consists of certain real property located at 276 Forest Hill Road, Victor, Montana, and further described as follows:

Tract 1: The NW1/4NW1/4 of Section 16, Township 4 North, Range 21 West, P.M.M., Ravalli County, Montana, Parcel No. 1123420 Parcel No. 1123400

Tract 2: The NE1/4NW1/4 of Section 16, Township 4 North, Range 21 West, P.M.M., Ravalli County, Montana, Certificate of Survey 5915TR

Tract 3-A; The NW1/4NE1/4 of Section 16, Township 4 North, Range 21 West, P.M.M., Ravalli County, Montana, and being more particularly described as Parcel No. 1146800

Tract 6: The SW1/4NE1/4 Of Section 16, Township 4 North, Range 21 West, P.M.M., Ravalli County, Montana, Certificate Of Survey 5915-TR

Tract 7: The S1/2NW1/4 Of Section 16, Township 4 North, Range 21 West, P.M.M., Ravalli County, Montana, Certificate of Survey 5915-TR Parcel No. 1123430

4. Debtor in Possession proposes to sell the estate's interest in said real property, free and clear of all liens and encumbrances, for the total cash sum of One Million Seven Hundred Fifty Thousand Dollars (\$1,750,000.00) to Marcia L. Burrows, of Little Falls, New York.

5. The real property proposed for sale is subject to the following liens:

Tracts 1, 2, 3A, 6, and 7, secured claims of the Joan L. Melahn Living Trust in the amount of \$2,066,420.00. Forty Percent (40%) ownership held by Joan L. Melahn, Sixty Percent (60%) ownership held by Leah Trader, Trustee.

6. Debtor in Possession requests the Court's authority to sell the above described real property of this bankruptcy estate, free and clear of liens and encumbrances, with all valid liens and encumbrances to attach to the net proceeds of said sale.

7. Debtor in Possession represents that it believes the proposed sale price of \$1,750,000.00 is a fair and reasonable offer for the sale of the subject real property. The real property has been listed for sale by the Debtor in Possession through it's realtor(s) since approximately November 8, 2010, a period of seven (7) months.

8. Should the Court approve the proposed sale free and clear of liens and encumbrances, Debtor in Possession would also request the Court's authority at the time of closing, that it be permitted to pay all normal closing costs and expenses associated with this sale including, but not limited to, title insurance, Closing Fees, Recording Fees and any other miscellaneous costs and expenses associated with the sale of the real and personal property.
9. Further, at the time of closing of the sale, Debtor in Possession also seeks the Court's authority to pay a real estate commission to the real estate broker(s) retained by it in this case. On November 9, 2010, Debtor in Possession filed an application with the Court seeking authority to retain Jane Iten, of The Iten Company, to serve as the real estate broker in this case. The Court entered its Order approving the employment of Jane Iten on November 9, 2010 (Docket No. 20). The proposed terms of the compensation to be paid to Jane Iten was a commission in the amount of six percent (6%) of the gross sales price. Debtor in Possession seeks the Court's authority to pay a real estate broker's commission to Jane Iten and/or the buyers' real estate broker at the time of closing in the total sum of \$105,000.00 ( $\$1,750,000.00 \times .06 \text{ percent} = \$105,000.00$ ).
10. Debtor in Possession respectfully requests the Court that as part of any Order approving the sale of the subject real property that the Court specifically find that the Buyers in this transaction and as identified in this Motion are good faith purchasers and shall be protected by Section 363(m) of the Bankruptcy Code in the event this Order is reversed or modified on appeal.

11. Debtor in Possession further requests that the ten (10) day stay provided by Bankruptcy Rule 6004(h), be waived and that any Order by the Court authorizing the proposed sale shall be effective and enforceable immediately upon entry by the Clerk of the Bankruptcy Court.

12. Offer for Purchase of real property is attached.

WHEREFORE, the Debtor in Possession respectfully requests the Court to enter its Order authorizing the sale of said real property as described herein, free and clear of liens, with valid liens attaching to the sale proceeds, for the cash sum of \$1,750,000.00 to Marcia L. Burrows, of Little Falls, New York; that the Debtor in Possession be authorized to make disbursements from the sale proceeds at the time of closing to satisfy all valid liens and payment of all costs and expenses related to the closing of this transaction; for authority to pay a real estate sales commission in the sum of \$105,000.00, to Jane Iten, of The Iten Company and/or the buyers' real estate broker at the time of closing; and that the fourteen (14) stay provision of Bankruptcy Rule 6004(h) be waived to allow for the immediate closing of this transaction.

Dated this 17<sup>th</sup> day of June, 2011.

BINNEY LAW FIRM, P.C.  
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Telephone: (406) 541-8020  
Attorneys for Debtor

/s/ Jon R. Binney  
Jon R. Binney

**CERTIFICATE OF SERVICE**

The undersigned does hereby certify, under penalty of perjury that on the 17<sup>th</sup> day of June, 2011, a true copy of the foregoing document was served by mail to the following individuals by depositing a copy of the same in the U.S. Mail postage prepaid thereon, addressed as follows, unless otherwise indicated below:

US Trustee

Neal G. Jensen (via ECF)

All Creditors on the attached list

/s/ Melissa Colonomos

BAC HOME LOAN FINANCING  
2380 PERFORMANCE DR.  
TX2-985-07-03  
RICHARDSON, TX 75082

CRAIG & REBECCA DESILVA TRUST  
2394 GOSSAMER LANE  
BOISE, ID 83706

DONALD & CLAUDIA BARTH  
625 NORTH GROVE  
MISSOULA, MT 59804

FARMERS STATE BANK  
PO BOX 190  
VICTOR, MT 59875-0190

MELAHN FAMILY TRUST  
LEAH TRADER, TRUSTEE  
4014 NORTHWEST HIGHWAY  
CRYSTAL LAKE, IL 60014

CREATIVE FINANCE  
619 SW HIGGINS AVE, STE O  
MISSOULA, MT 59802

RUTH HAVICAN  
365 BLUE HERON LANE  
MISSOULA, MT 59802

INTERNAL REVENUE SERVICE  
CENTRALIZED INSOLVENCY OPS  
PO BOX 21126  
PHILADELPHIA, PA 19114-0326

MONTANA DEPT OF REVENUE  
KIM DAVIS, BANKRUPTCY SPECIALIST  
PO BOX 7701  
HELENA, MT 59604-7701

ANACONDA-DEER LODGE COUNTY  
800 SOUTH MAIN  
ANACONDA, MT 59711

DAN AND KELLEY FLOYD  
81 BELL CROSSING  
VICTOR, MT 59875

KELDAN, INC.  
PO BOX 325  
VICTOR, MT 59875

MARKETTE & CHOUINARD  
601 SOUTH FIRST STREET  
PO BOX 515  
HAMILTON, MT 59840

SULLWAY CONSTRUCTION, INC.  
1695 LEGION LANE  
BUTTE, MT 59701-0905